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OUR FILE NUMBER
892,050-215

September 23, 2003

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Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: ***WC Docket No. 02-359***

Dear Ms. Dortch:

Enclosed for filing in the above-captioned proceeding are an original and four copies of Verizon Virginia Inc.'s Direct Testimony. Pursuant to paragraph H(3) of the August 25, 2003 Procedural Order issued in this case, we have enclosed an additional eight copies for the arbitrator, William Maher. Thank you.

Sincerely,

Kimberly A. Newman
of O'Melveny & Myers LLP

Enclosures

cc: Stephen T. Perkins
Martin W. Clift, Jr.
Richard U. Stubbs
Ms. Terri Natoli
Mr. Jeremy Miller
Mr. Brad Koerner
Mr. Marcus Maher
Mr. Richard Lerner
Mr. John Adams
Ms. Margaret Dailey

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445 12th Street, SW
Washington, DC 20554

Re: ***WC Docket No. 02-359***

Dear Ms. Dortch:

Please be advised that the parties have reached settlement on Issue V36. Please remove Issue V36 from the list of arbitrated issues. Thank you.

Sincerely,

Kimberly A. Newman
of O'Melveny & Myers LLP

cc: Stephen T. Perkins
Martin W. Clift, Jr.
Richard U. Stubbs
Ms. Terri Natoli
Mr. Jeremy Miller
Mr. Brad Koerner
Mr. Marcus Maher
Mr. Richard Lerner
Mr. John Adams
Ms. Margaret Dailey

Before The
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Petition of Cavalier Telephone, LLC	)	
Pursuant to Section 252(e)(5) of the	)	WC Docket No. 02-359
Communications Act for Preemption	)	
of the Jurisdiction of the Virginia State	)	
Corporation Commission Regarding	)	
Interconnection Disputes with Verizon	)	
Virginia, Inc. and for Arbitration	)	

CERTIFICATE OF SERVICE

I certify that on the 23rd day of September, 2003, the Direct Testimony of Verizon Virginia, Inc. in the above-captioned proceeding was served on the following parties:

Via Overnight Delivery and Electronic Mail:

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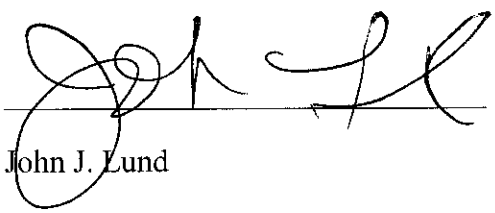

John J. Lund

BEFORE THE
FEDERAL COMMUNICATION COMMISSION
WASHINGTON, DC 20554

In the Matter of:	)	
	)	
Petition Cavalier Telephone, LLC	)	
Pursuant to Section 252(e)(5) of	)	
The Communications Act for	)	
Preemption of the Jurisdiction of the	)	Docket No. 02-359
Virginia State Corporation Commission	)	
Regarding Interconnection Disputes	)	
With Verizon Virginia, Inc. and for	)	
Arbitration	)	
	)	

DIRECT TESTIMONY OF VERIZON VIRGINIA, INC.

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September 23, 2003

VERIZON VIRGINIA INC.

PANEL TESTIMONY OF DONALD ALBERT, PETER D'AMICO, ROSEMARIE CLAYTON, AND ALICE SHOCKET

NETWORK REARRANGEMENTS (ISSUE C2), LOOP RATES AND CONDITIONING (ISSUE C9), DARK FIBER (ISSUE C10), IDLC (ISSUE C14), AND UNE-RELATED CHARGES (ISSUE C27)

CC DOCKET NO. 02-359

SEPTEMBER 23, 2003

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Page

I. WITNESS BACKGROUND AND OVERVIEW

A. Witness Background

Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF YOUR BACKGROUND AND EXPERIENCE.

A. My name is Donald E. Albert. My business address is 3011 Hungary Spring Road, Richmond, Virginia. I am employed by Verizon as Director Network Engineering. In that position, I am directly involved in the negotiation of competitive local exchange carrier ("CLEC") interconnection agreements and the network implementation of CLEC unbundling and interconnection arrangements throughout the former Bell Atlantic footprint, including the service territory of Verizon Virginia Inc. ("Verizon"). I have more than twenty-five years of experience in the telecommunications industry as an employee of Verizon and its predecessor companies. During that time, I have held various positions of increasing responsibility in Network Operations, Sales, and Network Planning and Engineering. I have been in my present position for five years. I earned my Bachelor of Science degree in Civil Engineering from Virginia Tech in Blacksburg, Virginia in 1977.

My name is Peter D'Amico. My business address is 416 7th Avenue, Pittsburgh, Pennsylvania 15219. I am a Senior Product Manager in the Interconnection Product Management Group for Verizon. I have a Bachelor of Science in Marketing from Indiana University of Pennsylvania. I have been employed at Verizon and its predecessor companies for 19 years, in positions of increasing responsibility, and have been in product management dealing with interconnection arrangements for the last 13 years. My responsibilities include development, implementation, and product management of interconnection services.

My name is Rosemarie Clayton. My business address is 2107 Wilson Blvd., Arlington, Virginia 22201. I am employed by Verizon as Senior Product Manager for xDSL Products and Line Sharing. I am responsible for product roll-out and life cycle management to ensure that digital unbundled network elements ("UNEs") are provided in accordance with the requirements of the Telecommunications Act of 1996 (the "Act") and the Federal Communications Commission's ("Commission") implementing regulations. In addition to my Product Management responsibilities, I am also responsible for negotiating CLEC contracts and testifying on related policy issues before regulatory bodies. I have been employed by Verizon and its predecessor companies since 1979. Since then, I have held positions of increasing responsibility in the Commercial Business Unit, the Carrier Access Services Department, and the Wholesale Markets Department. I was promoted to Senior Product Manager in 1998. I received my Masters of Business Administration from the University of Richmond, and I am currently a student in a Business Management/Engineering degree program with the University of Phoenix.

My name is Alice B. Shocket. My business address is 125 High Street, Boston, Massachusetts. I am employed by Verizon as Senior Product Manager – Interconnection Services. In that capacity, I am responsible for developing and implementing dark fiber and local number portability throughout the former Verizon footprint. I have more than thirty years of experience in the telecommunications industry as an employee of Verizon and its predecessor companies. During that time, I have held various positions of increasing responsibility related to regulatory matters, retail marketing, access services

and, most recently, wholesale marketing. I received a Bachelor of Arts degree in Economics from Northeastern University in 1968.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

A. We will explain Verizon's position on network architecture, loop, and dark fiber related issues, specifically Issues C2, concerning Cavalier's proposal for Verizon to compensate Cavalier for its expenses related to Verizon's network rearrangements; C9, concerning loop qualification processes; C10, concerning Cavalier's proposal to change Verizon's dark fiber access processes; C14, concerning Cavalier's proposal for integrated digital loop carrier unbundling; and C27, concerning the unbundled network element rates that Cavalier proposes to charge Verizon.

B. Overview of Testimony

Q. PLEASE PROVIDE AN OVERVIEW OF YOUR TESTIMONY.

A. **Issue C2:** Donald Albert and Peter D'Amico will address the parties' obligation to cover their own costs for network rearrangements and expansions. Cavalier's proposed language would inappropriately shift its costs to Verizon and should therefore be rejected.

Issue C9: Rosemarie Clayton will address Cavalier's elimination of Verizon's language regarding the DSL loop qualification process and Cavalier's failure to propose any alternative language. In addition, Ms. Clayton will address Cavalier's proposal for new prices for loop conditioning and its failure to file supporting cost studies for those prices; Cavalier's unexplained request for a new kind of loop; its demand for special loop

maintenance intervals that are better than those Verizon offers to its own customers; and Cavalier's request for preferential access to xDSL compatible loops.

Issue C10: Donald Albert and Alice Shocket will address how Verizon proposes to provide Cavalier with access to UNE dark fiber. Verizon's contract proposals are consistent with legal requirements. Cavalier's contract proposals should be rejected because they impose obligations on Verizon that are neither required by law nor appropriate.

Issue C14: Donald Albert and Rosemarie Clayton will address Cavalier's proposal to obtain unbundled access to loops serviced by Integrated Digital Loop Carrier ("IDLC") technology. The Bureau should reject this proposal because it would impose an unprecedented obligation on Verizon to fund and develop a new type of UNE to be made generally available at a specific price and on specific terms. Verizon's proposal should instead be adopted because it reflects Verizon's obligations under the *Triennial Review Order*.

Issue C27: Rosemarie Clayton will address the various penalty and winback charges that Cavalier inappropriately proposes to include in the parties' interconnection agreement.

II. NETWORK REARRANGEMENT (ISSUE C2) (DONALD ALBERT AND PETER D'AMICO)

Q. WHAT IS THE NATURE OF THE DISPUTE ABOUT THIS ISSUE?

A. Cavalier has proposed to add language to the Agreement stating that if either party rearranges its network in a manner that makes it necessary for the other party to move its facilities or establish new ones, then the party making the network rearrangement must

compensate the other party for its costs incurred in accommodating that rearrangement. Cavalier's Proposed Agreement § 9.6. This language is inappropriate because it would permit Cavalier improperly to shift its costs to Verizon. As telecommunications traffic grows and as new technology is introduced, Verizon must expand and rearrange its network in order to assure adequate transport and switching capacity for all carriers that use its network. Indeed, the Bureau has acknowledged Verizon's need to add trunk groups and facilities in order to prevent trunk blockage. *Virginia Arbitration Order* ¶¶ 155-156. Sometimes these network rearrangements require all carriers, including CLECs like Cavalier, to make changes in their own networks. Such related network rearrangements are a cost of doing business, and Verizon's longstanding arrangement with all CLECs is that each carrier bears the costs associated with such network rearrangements. This arrangement has worked well, and Cavalier has offered no good reason to change it.

Q. WHAT ARE THE NETWORK REARRANGEMENTS THAT CAVALIER IS CONCERNED ABOUT?

A. Cavalier mentions only "tandem re-homing" in its Petition. Cavalier's Exhibit A at 1. Re-homing generally occurs when a Verizon tandem switch is "exhausted," that is, no more capacity can be added because of trunk growth from all carriers, including interconnecting CLECs. When a Verizon tandem switch is exhausted, Verizon must add a tandem switch to serve the increased carrier demands, and all carriers, including CLECs who interconnect at the first tandem, will then need to "re-home" trunks to the new tandem to make and receive calls through it.

Q. WHO BENEFITS FROM THESE NETWORK REARRANGEMENTS?

A. All carriers benefit from these rearrangements; it is not true, as Cavalier alleges, that tandem re-homing is intended to benefit only Verizon. If Verizon does not add tandem capacity when a tandem exhausts, all carriers connected to that tandem will experience trunk blockage and service disruptions; therefore, any measures taken to prevent trunk blockage benefit all carriers. In fact, to the best of our knowledge, no CLEC interconnecting with Verizon has proposed language similar to Cavalier's proposal here. On the contrary, CLECs have paid for their own network modifications associated with tandem rehoming and other network rearrangements because these rearrangements allow CLECs to maintain and improve service to their customers.

Q. WILL CAVALIER'S COSTS ASSOCIATED WITH THESE NETWORK REARRANGEMENTS BE HIGH?

A. No. Cavalier's costs in the event of a tandem re-homing should be reasonable. Under the network architecture negotiated by the parties, Cavalier exchanges a significant amount of its traffic through end offices, not tandem offices. Traffic exchanged through end-office trunking is not affected by tandem re-homing. In addition, Verizon has offered Cavalier the option of connecting to all of Verizon's tandems through a single point in the LATA. Verizon's Proposed Agreement § 4.1.1. Under this arrangement, Cavalier would only bear costs for transporting local traffic between its switch and the single point of interconnection, while Verizon would be responsible for the costs of transporting local traffic between the single point of interconnection and the new tandem.

Q. DO YOU KNOW OF ANY REGULATORY COMMISSIONS THAT HAVE APPROVED LANGUAGE SIMILAR TO THAT PROPOSED HERE BY CAVALIER?

A. No. No jurisdiction requires Verizon to subsidize network rearrangement costs for CLECs. There is no reason for the Bureau to do so here, either.

III. LOOPS (ISSUE C9) (ROSEMARIE CLAYTON)

Q. BRIEFLY DESCRIBE THE STATUS OF THIS ISSUE.

A. Verizon proposes xDSL loop qualification language that is consistent with what Verizon offers other CLECs in Virginia, and offers the same loop qualification tools that the Virginia SCC and the Commission have already approved. Cavalier eliminates all of Verizon's language regarding the DSL loop qualification process, but proposes no alternative language. In addition, Cavalier proposes that the Commission set new prices for loop conditioning, but offers no cost studies to support them; requests, without any explanation, a new kind of loop; demands special loop maintenance intervals that are better than those Verizon offers to its own customers; and asks for preferential access to xDSL compatible loops. None of these proposals should be adopted.

Q. PLEASE BRIEFLY DESCRIBE VERIZON'S LOOP QUALIFICATION PROPOSAL.

A. Section 11.2.12 of Verizon's proposed agreement addresses loop qualification, which is the process by which carriers verify whether particular loops are xDSL compatible. Verizon's proposal reflects its existing loop qualification processes, under which Verizon provides access to loop qualification information in four ways – through Verizon's mechanized loop qualification database; through manual processes (in the limited number of cases where information is not available in the mechanized database); by means of

engineering queries (for detailed loop characteristics); and through bulk loop qualification extracts (which are available on a central office-by-central office basis). These are the same qualification tools Verizon offers to all CLECs and to itself.

Q. WHAT IS THE PARTIES' DISPUTE ABOUT VERIZON'S LOOP QUALIFICATION PROPOSAL?

A. It is difficult to tell. While Cavalier has not criticized any specific aspects of Verizon's proposed loop qualification language, it has proposed to delete all of it (that is, Verizon's entire proposed section 11.2.12), without offering any alternative language. Cavalier's deletion would thus leave Cavalier without any contract language governing the loop qualification information necessary to offer xDSL service to its customers.

To prevent this result, the Bureau should approve Verizon's contract language describing Verizon's loop qualification tools, which have been agreed to collectively by the CLECs in the New York DSL Collaborative, and which have been approved by several state commissions, including the Virginia SCC. *See, e.g., Virginia Hearing Examiner Report* at 111. As I explain further below, the Commission has also approved Verizon's loop qualification tools.

Q. WHERE HAS THE COMMISSION REVIEWED VERIZON'S LOOP QUALIFICATION PROCESSES?

A. The Commission has considered Verizon's loop qualification process in all of its section 271 proceedings. In all cases, the Commission found that Verizon's loop qualification process complies with the Act. (*See generally Rhode Island § 271 Order* ¶ 61; *New Jersey § 271 Order* ¶ 76 n. 204; *New York § 271 Order* ¶ 140). In the Virginia section 271 proceeding, the Commission confirmed that:

> Verizon provides competitive LECs with access to loop qualification information consistent with the requirements of the *UNE Remand Order*. Specifically, we find that Verizon provides competitors with access to all of the same detailed information about the loop that it available to itself and in the same time frame Verizon personnel obtain it.
>
> * * *
>
> We find, based on the evidence in the record, that Verizon is providing loop qualification information in a nondiscriminatory manner.

Virginia § 271 Order ¶¶ 29, 34. While Verizon has enhanced its loop qualification process since the Commission issued the *Virginia § 271 Order*, the portions of Verizon's loop qualification process in Virginia with which Cavalier takes issue have not changed since then. The Bureau should approve Verizon's language here as well.

Q. CAVALIER CONTENDS IN ITS PETITION THAT THE PARTIES' AGREEMENT SHOULD INCLUDE LANGUAGE "TO ALLOW CAVALIER TO PROVIDE XDSL SERVICES ON LOOPS OVER 18,000 FEET IN LENGTH." HAS VERIZON PROPOSED SUCH LANGUAGE?

A. Yes. Verizon's proposed section 11.2.12(A) defines "Digital Designed Loops" to include 2-wire digital loops with a total loop length of 18 to 30 thousand feet, with bridged taps and load coils removed, at Cavalier's option. This offering, which has been available to CLECs for several years, allows CLECs to provide xDSL services on long loops. I am not aware of CLECs having requested any other type of offering for loops of this length or longer.

Even though Cavalier claims to want this very option, it has deleted without explanation the language in Verizon's proposal that would give Cavalier the option to provide xDSL service on loops over 18,000 feet. In addition, Cavalier has not proposed any alternate language. The Bureau should reject Cavalier's unexplained deletion and approve Verizon's proposed contract language, which adequately addresses all of Cavalier's

asserted concerns about provision of xDSL services on loops over 18,000 feet.

Q. CAVALIER CONTENDS IN ITS PETITION THAT THE PARTIES' AGREEMENT SHOULD INCLUDE LANGUAGE "TO ADOPT PRICING FOR LOOP CONDITIONING AND LOOPS USED BY CAVALIER TO PROVIDE XDSL SERVICE." DO YOU AGREE WITH CAVALIER'S PROPOSAL?

A. No. Cavalier asks that the Bureau set rates for loop conditioning "[a]t the lowest Verizon rate approved by a public service commission within Cavalier's footprint." Cavalier's Proposed Agreement, Exhibit A. Cavalier ignores the fact that Verizon incurs different costs for loop conditioning in different states. That is why rates for loop conditioning are adopted on a state-by-state basis. Furthermore, Cavalier has filed no cost studies to support its rate proposal. Because rates must be cost-based, the Bureau cannot set rates without cost studies.

There is no reason to consider changing Verizon's current loop conditioning rates, which the Commission approved as TELRIC-complaint in the Virginia § 271 case. *Virginia § 271 Order* ¶ 93.

Q. CAVALIER CONTENDS THAT "VERIZON SHOULD NOT IMPROPERLY LIMIT CAVALIER'S PROVISION OF CERTAIN TYPES OF XDSL SERVICE THROUGH SPECTRAL DENSITY MASKS." WHAT ARE SPECTRAL DENSITY MASKS?

A. A spectral density mask imposes power and frequency limits on xDSL service in order to prevent that service from interfering with other telecommunications services sharing the same loop. *Line Sharing Order* ¶ 182 n. 390.

Q. DOES VERIZON USE SPECTRAL DENSITY MASKS IMPROPERLY?

A. No. Verizon complies with both National Standards (set by Telcordia, ILECs, CLECs, and vendors) and all Commission rules and orders relating to xDSL technologies and

interference issues. In the *Line Sharing Order*, the Commission specifically approved the use of spectral density masks to limit interference from xDSL services, *Line Sharing Order* ¶ 6, and Verizon's use of spectral density masks is consistent with that order.

Q. IS THERE A DISPUTE CONCERNING VERIZON'S 4-WIRE DS1-COMPATIBLE LOOP OFFERING?

A. Yes. Cavalier has stricken almost all of Verizon's Proposed Section 11.2.9, which describes Verizon's DS1 loop offering and the technical standards that Verizon (and the industry) use to support this service. Cavalier, without explanation, has substituted language describing a new kind of DS1-compatible loop that appears similar to the DS-1 compatible loop that Verizon offers to AT&T in the agreement resulting from the *Virginia Arbitration Order*, although Cavalier omits critical technical specifications contained in the AT&T Agreement. If Cavalier wants the AT&T offering, Verizon will supply it, but if Cavalier has something else in mind, it has not explained what it wants or why such an offering is necessary, and Cavalier's change should therefore be rejected. If Cavalier wants Verizon to develop a new loop offering, Cavalier can make a specific request through the bona fide request process.

Q. PLEASE ADDRESS CAVALIER'S EXPEDITED MAINTENANCE PROPOSAL.

A. In Section 11.2.12 of its Proposed Agreement, Cavalier proposes that Verizon should respond to trouble tickets for all xDSL loop types within the same interval that Verizon responds to trouble tickets for DS-1 loops. There are four major problems with this proposal. First, it is inconsistent with the Virginia Carrier-to-Carrier Guidelines, under which Verizon's maintenance intervals for xDSL loops are measured against Verizon's maintenance intervals for Plain Old Telephone Service, not DS-1 loops. *Virginia*

Carrier-to-Carrier Guidelines at 6. Second, because maintenance intervals for xDSL typically are longer than DS-1 maintenance intervals, both for Verizon's customers and for other CLEC customers, Cavalier's maintenance interval proposal would result in Cavalier receiving better service for many xDSL loops than Verizon's own retail customers do and other CLEC customers do. Third, Cavalier's request for unique maintenance intervals is infeasible. If Cavalier has its own set of intervals, other CLECs will want the same. Verizon has interconnection agreements with 180 CLECs in Virginia, and Verizon cannot be expected to shoulder the burdens of administering 180 sets of intervals. Fourth, even if Verizon could administer such a system, both the Virginia Carrier-to-Carrier Guidelines and the Virginia Performance Assurance Plan ("PAP") are based on standard intervals for all CLECs. Implementing CLEC-specific intervals would be inconsistent with both the Carrier-to-Carrier Guidelines and the PAP and would greatly complicate reporting. For these reasons, the Bureau should reject Cavalier's proposal for unique maintenance intervals.

Q. PLEASE ADDRESS CAVALIER'S PROPOSAL IN SECTION 11.2.13 OF ITS PROPOSED AGREEMENT.

A. In Section 11.2.13 of its proposed agreement, Cavalier proposes that if it has used the mechanized or manual loop qualification tools described above and been informed that a particular customer's loop does not qualify for xDSL service, and if, within 60 days Verizon provides xDSL to that same customer, Verizon would be required to transfer that customer to Cavalier at no cost to Cavalier. The Bureau should not adopt this unprecedented proposal. Cavalier's proposal is simply an attempt to avoid paying for the costs that must sometimes be incurred to make an xDSL loop available.

Even if the manual or mechanized process reports that a customer's loop is unqualified for xDSL, Cavalier does not have to abandon its attempt to provide xDSL service to that customer. First, if the customer can be switched to a different loop that does qualify for xDSL, Verizon will make this change, called a "line and station transfer," provided that Cavalier pays the costs of the procedure. Second, if the customer cannot be switched to a qualifying loop, Cavalier can pay the costs of conditioning the customer's existing loop (for example, by removing load coils on loops over 18,000 feet) so that Cavalier can provide the customer with xDSL service.

If Cavalier chooses not to pay for these costs, that customer may well call another carrier (for example, Verizon) to see whether it can provide service. Verizon would use the same loop qualification tools available to Cavalier and discover that the loop is not qualified. But if Verizon is willing to pay the costs of transferring the customer to a qualifying loop or the costs of conditioning the customer's existing loop, Verizon can serve the customer. This is entirely appropriate: Verizon and Cavalier have exactly the same options. Yet, under Cavalier's proposal, if Verizon bears the costs of making an xDSL capable loop available to the customer, Verizon would still have to turn the customer over to Cavalier free of charge. Cavalier's proposal would therefore allow Cavalier to improperly shift its costs to Verizon and should be rejected.

Q. CAVALIER CLAIMS THAT PORTIONS OF VERIZON'S PROPOSED SECTION 11.2.12 "SHOULD BE REJECTED AS...WAIVED OR RELEASED BY VERIZON." IS THIS PROPOSAL JUSTIFIED?

A. No. Cavalier argues that Verizon should be foreclosed from proposing parts of its loop qualification language because they relate to Issue V26 which, Cavalier claims, has been "waived or released by Verizon." Cavalier's Reply to Verizon's Answer at 4. Cavalier

apparently makes this waiver claim because Verizon did not specifically reference Issue V26 in its Answer. As Cavalier acknowledges in Exhibit A of its Petition, however, Issues C9 and V26 are the same. Both issues address the fact that Cavalier strikes all of Verizon's language in Section 11.2.12, which concerns loop qualification. Consistent with the Commission's rules, Verizon provided the basis for Verizon's position on this issue as well as the relevant legal authority in its Answer filed on September 5, 2003. Therefore, there is no basis for accepting Cavalier's contention that Verizon has waived or released its claim to include any of the language in Section 11.2.12 in the parties' agreement because Verizon did not specifically mention Issue V26.

IV. DARK FIBER (ISSUE C10) (DONALD ALBERT AND ALICE SHOCKET)

Q. BRIEFLY DESCRIBE THE PARTIES' DISPUTE ABOUT THIS ISSUE.

A. Cavalier proposes several changes to Verizon's dark fiber provisioning process, but fails to explain why these changes are necessary. There is no need for any such modifications. Verizon's dark fiber provisioning process meets its obligations under the Act, is consistent with the Commission's *UNE Remand Order* (*see, e.g.*, ¶¶ 167, 174, 196, 325), *Triennial Review Order* (*see, e.g.*, ¶¶ 381-385), numerous section 271 Orders (*see, e.g.*, *Virginia § 271 Order* ¶¶ 145-146; *Pennsylvania § 271 Order* ¶ 113; *MD/DC/WV § 271 Order* ¶¶ 123-126), and the Bureau's *Virginia Arbitration Order* (*see, e.g.*, ¶¶ 451-454, 457). Even Cavalier concedes in its Petition that Verizon's dark fiber provisioning process is "Commission-approved." Cavalier Petition, Exhibit A at 2.

Q. CAN YOU BRIEFLY DESCRIBE THE PROCESS BY WHICH VERIZON PROVISIONS DARK FIBER TO CAVALIER?

A. Yes. First, upon receipt of Cavalier's written request on Verizon's Dark Fiber Inquiry Form, Verizon will review its fiber optic cable records as well as its known, near-term fiber optic requirements to determine whether spare dark fiber is available for lease between the requested locations, and in the quantities specified in Cavalier's request. In conducting this search, Verizon looks not only at dark fiber directly connecting the locations specified by Cavalier, but also at alternative routes. Based upon this review, Verizon will provide a written response to Cavalier indicating whether the requested dark fiber is available. If it is not, Verizon's response will include the routes reviewed and a description of the locations along those routes where fiber is not available. If the dark fiber is available, Cavalier submits a dark fiber order through the access service request ("ASR") process.

Second, because Verizon does not guarantee the accuracy or completeness of its fiber optic cable records, Verizon will initiate a field survey at Cavalier's request, for time and materials charges, to verify physically the availability of specific dark fiber pairs. As part of this field survey, Verizon will test the specific fiber pairs by placing a light source on the individual fibers and measuring the end-to-end transmission loss using industry standard fiber optic test equipment. Verizon will document the test results and provide them to Cavalier so that it may determine whether the fiber characteristics are suitable for its engineering design. If they are, Cavalier will presumably submit a dark fiber order.

Third, upon written request from Cavalier, Verizon will create a wire center fiber layout map (at time and materials charges) based on its existing records, for Cavalier's use in

preliminary network planning and engineering work. These maps show existing fiber routes within a designated wire center. They are provided subject to a non-disclosure agreement, which limits disclosure to Cavalier personnel that need the fiber layout information to design Cavalier's network.

A. Proposed "Dark Fiber" Definitions

Q. WHAT IS THE NATURE OF THE DISPUTE CONCERNING THE DEFINITION OF A "DARK FIBER LOOP?"

A. Verizon's proposed dark fiber loop definition provides that a "Dark Fiber Loop" runs between "an accessible terminal" (such as the fiber distribution frame) in Verizon's wire center to Verizon's accessible terminal at Verizon's main termination point at the customer premises (such as a fiber patch panel). Verizon's Proposed Agreement § 11.2.15.1. Cavalier seeks to modify this definition to include fiber pairs not just between accessible terminals at Verizon's wire center and the customer's premises, but also "between any other two points where a feeder and distribution plant meet."

Q. WHY IS CAVALIER'S PROPOSED CHANGE INAPPROPRIATE?

A. Cavalier's proposed addition makes no sense. Fiber loops (unlike copper loops) generally do not have feeder and distribution plant. Therefore, it is not clear what Cavalier is trying to achieve with its language; this vague and ambiguous proposal should not be included in the contract.

Q. DO THE PARTIES DISAGREE ABOUT THE DEFINITION OF "DARK FIBER IOF," AS WELL?

A. Yes. Section 11.2.15.1 of Verizon's Proposed Agreement specifies that "Dark Fiber Interoffice Facility" ("IOF") runs between two or more Verizon central offices. Cavalier

proposes to expand this definition to include fiber connecting a Verizon central office and a Cavalier central office or "the central office of a third party with whom Cavalier is interconnected."

Q. IS CAVALIER'S EXPANSION OF THE DARK FIBER IOF DEFINITION PERMISSIBLE UNDER THE *TRIENNIAL REVIEW ORDER*?

A. No. The *Triennial Review Order* defines dedicated interoffice transmission facilities as facilities used "for transmission *among incumbent LEC central offices* and tandem offices." *Triennial Review Order* ¶ 361 (emphasis added). The Commission has made clear that there is no longer any dark fiber IOF UNE between Verizon's central offices and a CLEC's central offices, whether they are Cavalier's or a third-party CLEC's central offices. The Bureau could not, in any event, have imposed conditions in this proceeding to govern Verizon's interconnection with other CLECs, because they are not parties to the Verizon/Cavalier contract that will result from this arbitration. There is no need for the Bureau to consider Cavalier's proposed additions to the dark fiber IOF definition.

B. Queue Provisions

Q. PLEASE DESCRIBE THE ISSUE CONCERNING A DARK FIBER QUEUE.

A. Cavalier proposes to add language to the Agreement (in Section 11.2.15.4.1) that would require Verizon to place Cavalier's dark fiber inquiries in a queue for a period of up to four years when dark fiber pairs are not presently available. Specifically, Verizon would have to notify Cavalier within 30 days if dark fiber pairs become available along a requested route within two years from Cavalier's initial request. Verizon would be required to extend the time for holding a request in queue for an additional two years upon written request from Cavalier.

Q. IS CAVALIER'S PROPOSAL NECESSARY OR REASONABLE?

A. No. There is no reason for Verizon to establish the expensive and administratively burdensome system Cavalier proposes. First, Verizon does not have a system in place to conduct dark fiber inquiries on a mechanized basis. However, Verizon's existing system is designed to reduce the number of dark fiber requests that are rejected in the first instance, so there is no need for a queue. If fiber is unavailable on Cavalier's requested routes, Verizon will search for alternative routes through intermediate offices in order to fill Cavalier's request. Verizon's Proposed Agreement § 11.2.15.4.

Second, there is no guarantee that Cavalier would even take the fiber if it should become available after two (or four) years. Indeed, given the pace of regulatory, market, and technological changes in the telecommunications industry, two to four years is an inordinately long time. If a particular fiber route is unavailable, Verizon assumes that, after two (or four) years has passed, Cavalier will have found another way to provide its planned service. So it is highly likely that Verizon would have wasted considerable time and expense monitoring the status of a particular fiber route for up to four years when Cavalier will never use those facilities if they do become available.

Third, Verizon's wasted time and expense could not be limited just to creating a queue for Cavalier. If the Bureau approves Cavalier's queue proposal, it would be available to any Virginia CLEC adopting this Agreement's dark fiber provisions. Verizon would therefore be required to establish a sophisticated system for conducting manual dark fiber inquiries for a specific route every day for up to four years, while at the same time managing the high volume of competing dark fiber requests over time – again, with no guarantee that a CLEC will still want to purchase the dark fiber if and when it does